

Governor Bullock Announces \$500,000 in Grants for Tourism Infrastructure Projects

Tourism Grants

November 17, 2014



Governor Steve Bullock and Montana Department of Commerce Director Meg O'Leary announced the award of \$500,000 for twelve tourism facility improvement projects in Billings, Butte, Eureka, Fort Belknap, Missoula, West Glacier, and West Yellowstone. The funds are being made available through the Tourism Infrastructure Investment Program (TIIP).

"With our unspoiled nature, breathtaking experiences and world-class hospitality, it's no wonder so many visitors want to spend their free time in Big Sky Country," Bullock said. "Tourism is an important part of our economy, and these grants will help our communities welcome the millions of visitors who come here every year to make their Montana moment."

In his Main Street Montana Project, Bullock has identified marketing Montana as a business and tourism destination one of the key pillars for economic development. In 2013, tourism added over \$3.6 billion to the state's economy, with roughly 11 million visitors coming to the state. Tourism is one of the top employers in Montana, directly employing over 44,000 people at a payroll of \$1.1 billion. It also contributed approximately \$306 million in state and local taxes, decreasing the tax liability for Montana households.

The TIIP grants are awarded on an annual basis to eligible non-profit sponsors, communities and tribal nations for the construction of new tourism facilities, enhancement of existing facilities, and the preservation of Montana's heritage and cultural tourism treasures.

"The reinvestment of Montana's Lodging Tax funds into these dozen tourism facility projects will help Montana's tourism communities better serve both visitors and residents in the years to come," said Director O'Leary. "This year's TIIP grant funds are leveraging a substantial amount of private and public sector investment that are going to bring great benefits to Montana's main streets."

The twelve TIIP grant recipients are:

1. \$41,421 awarded to the Butte-Silver Bow Archives for restoration of the historic Clark Chateau in Butte including upgrades to the electrical, plumbing and heating services, lighting, and insulation. Total Project Cost: \$62,131.

2. \$20,486 awarded to the Downtown Billings Association for restoration and improvements of interpretive signage, hardware and banners that guide users along the Historic Montana Avenue Interpretive Walking Tour in downtown Billings. Total Project Cost: \$31,516.
3. \$20,000 to assist the Eureka Riverwalk Foundation with design and construction of 2 miles of bike/walk trail along Hwy 37 connecting with other trails and the Hwy 93 intersection in Eureka. Total Project Cost: \$491,191.
4. \$27,319 awarded to the Fort Belknap Indian Community/Island Mountain Development Group for construction and installation of interpretive signage, trailhead kiosks, parking and restroom facilities at access points to the Mission Canyon Trails in the Little Rocky Mountains east of Hays. Total Project Cost: \$40,979.
5. \$27,386 awarded to the Friends of the Historical Museum at Fort Missoula for the design, fabrication and installation of interpretive signs and exhibits involved in a Fort Missoula Alien Detention Camp Interpretive Project. Total Project Cost: \$79,497.
6. \$24,000 awarded to the Glacier Institute in West Glacier for construction and installation of 3 handicapped accessible cabins at their Field Camp Education Facility. Total Project Cost: \$36,000.
7. \$50,000 to assist the Grizzly & Wolf Discovery Center in West Yellowstone with the construction of the Banks of the Madison Riparian Exhibit, a new River Otter and river interpretive display. Total Project Cost: \$518,900.
8. \$50,000 awarded to the International Wildlife Film Festival Ltd. of Missoula for purchase and installation of digital projection equipment, electrical upgrades and other theater renovations. Total Project Cost: \$100,085.
9. \$63,100 awarded to the Kalispell Convention & Visitors Bureau/Chamber of Commerce for fabrication and installation of a city-wide wayfinding sign system. Total Project Cost: \$97,650.
10. \$50,000 awarded to the Missoula Art Museum for purchase and installation of furnishings for an outdoor Art Park being developed between the museum and its neighbor facility, Adventure Cycling headquarters, in downtown Missoula. Total Project Cost: \$469,500.
11. \$51,288 awarded to the Missoula Downtown Association to assist with completion of the Vehicular & Parking Phase of Missoula's city-wide wayfinding project. Total Project Cost: \$1,564,735.
12. \$75,000 to assist the Whitefish Legacy Partners with construction of an education pavilion and interpretive trail along with 4+ miles of trail and trailhead facilities. Total Project Cost: \$325,000.

Since 1995, TIIP grants have provided \$5.7 million in tourism lodging tax funds to 126 projects in 54 Montana communities. These TIIP-assisted projects represent \$52.3 million in Montana tourism facility improvements financed with public and private funds.

TIIP grant funds are provided by the 4% Montana Lodging Facility Use Tax, which is assessed on the lodging price of all accommodations across Montana, including campgrounds. The grants are awarded through a competitive process and require \$1 match for every \$2 provided by grant funds.

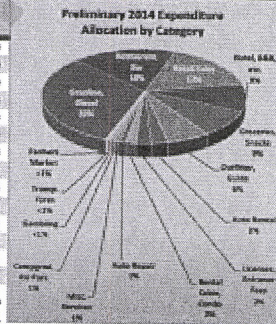


BILLINGS GAZETTE

Report: Tourist spending in Montana increased to nearly \$4 billion last year

Table 2 - 2014 Nonresident Traveler Expenditures

Expenditure Category	Average Daily Per Diem*	Allocation by Category	Total Expenditures**
Gasoline, Diesel	\$51.78	32%	\$1,270,840,000
Restaurant, Bar	\$28.83	18%	\$707,850,000
Retail Sales	\$28.04	17%	\$675,630,000
Hotel, B&B, etc.	\$14.64	9%	\$359,530,000
Groceries, Snacks	\$14.61	9%	\$358,110,000
Outfit, Guide	\$10.23	6%	\$248,650,000
Auto Rental	\$1.87	2%	\$94,110,000
Licenses, Entrance Fees	\$1.66	1%	\$68,850,000
Rental Cabin, Condo	\$2.32	1%	\$57,400,000
Auto Repair	\$1.51	1%	\$37,370,000
Misc. Services	\$1.10	1%	\$26,470,000
Campground, RV Park	\$0.94	1%	\$23,410,000
Gambling	\$0.71	<1%	\$17,210,000
Transportation Fares	\$0.21	<1%	\$7,000,000
Farmers Market	\$0.22	<1%	\$5,490,000
Projected Total			\$3,978,180,000



14 HOURS AGO • BY DAVID ERICKSON MISSOULIAN

MISSOULA — Tourists in Montana spent a record \$3.98 billion in the state last year and that money supported more than 55,000 jobs, according to new data from the University of Montana.

The UM Institute for Tourism & Recreation Research has released its preliminary "2014 Montana Nonresident Traveler Expenditures & Economic Contribution," which is compiled

from surveys of out-of-state visitors at gas stations, airports and other sites across the state.

The report found that tourism produced \$1.48 billion in employee compensation and \$276 million in state and local taxes.

Nonresident visitor spending directly supports \$3.26 billion of economic activity in the state and indirectly supports an additional \$1.86 billion, for a total contribution of \$5.11 billion to Montana's economy.

Approximately 11 million tourists visited Montana from out-of-state last year, which was about the same number as in 2013. However, the money those travelers brought into the economy increased 10 percent, from \$3.62 billion to \$3.98 billion.

Tourists spent 32 percent of their money, or \$1.27 billion, on gasoline and diesel. They spent \$707 million on restaurants and bars and \$675 million on retail sales. Farmers markets accounted for \$5.49 million in visitor spending.

According to the National Park Service, Glacier National Park recorded the busiest year in history, while Yellowstone National Park welcomed over 3 million visitors for the eighth consecutive year. Montana State Parks also reported the highest visitation numbers on record.

Jeri Duran, administrator for the Montana Office of Tourism, said that statewide efforts to unify tourism promotion under a single brand have improved how Montana is marketed and that is translating into positive gains for local businesses.

"Since the Montana branding initiative began in 2007, we've used the pillars of spectacular unspoiled nature, vibrant and charming small towns, breathtaking experiences by day, and relaxing hospitality at night to communicate the essence of

Montana," she said in a statement. "By coming together under one umbrella, the industry has seen its success multiply."

The ITRR usually releases its final report in the spring. Historically, visitation and economic contribution figures don't change significantly from the preliminary to the final reports.

Mileage and Population Statistics for SB 244

Population of Canada Cities Close to Montana Border		
City Name	Miles from Great Falls	Population
Lethbridge	187	89,074
Cranbrook	344	19,394
Calgary	320	1,100,000
Medicine Hat	253	60,005
Swift Current	311	15,503
Moose Jaw	420	3,546
Regina	462	193,100
Edmonton	499	817,498
Total		2,198,120
Alberta		4.08 Million
Saskatchewan		1.11 Million

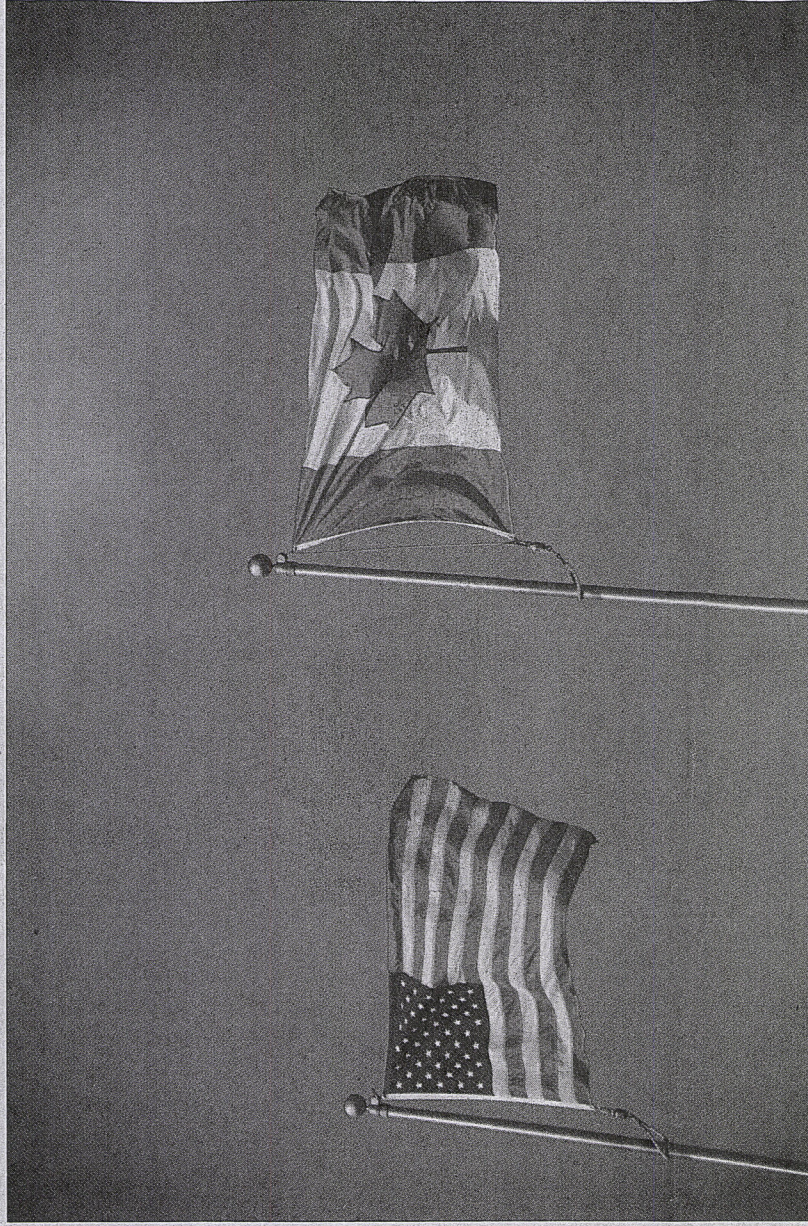
Canadians' Second Home

By CARMEN HOBSON

Driving through the Flathead Valley at dawn, the sun's rays peeking over the Columbia Range, it's easy to see the beauty that draws in those seeking a slower pace and outdoor lifestyle. The vast Rocky Mountains line the east horizon, the valley envelopes the sleepy towns and businesses that thrive on the recreation industry and a multitude of lakes dot the landscape. These are but a few reasons why the Flathead Valley is chosen by Canadians who wish to play in Montana.

On any given holiday, spotting the tell-tale license plates of our welcome visitors from the north is simple. They make the trek from Alberta, Saskatchewan, British Columbia and other areas, to shop, cruise the lakes, golf and ski "The Big." Some are first timers, but it's surprising how many return year after year to enjoy family vacations, treks in Glacier National Park, or just a quiet respite at their lake cabins. The majority of these visitors hail from Calgary and Lethbridge. The familiar lilt in their voices makes you smile when they speak of how much they enjoy what the Flathead has to offer, and why this area elicits their interest. Calgary is a highly educated, powerful city that never sleeps. Engineers, geologists and commercial farmers make up a good portion of the population who want to escape the hustle and bustle of their hometowns and turn the clock back to a friendlier time where the atmosphere is casual, their activity options plentiful, and the costs are a fraction of what they're used to.

The Flathead Valley boasts four true seasons, which is perfect for these lively visitors. Whitefish Mountain Resort is the obvious winter draw. Its family-friendly atmosphere and casual attitude are welcoming to Canadians who just want to spend some great quality time with those close to them. Here, they can avoid the large crowds and costs associated with their prominent ski areas. Those not wishing to participate in the snow sports happily wander through the quaint shops of our smaller towns, or hit the "Magic Mile" in Kalispell to shop the box stores for clothing, and other treasures. Summer brings the golfers and boating enthusiasts, and our lakes and lakefront properties have become a focal point to our friends from the north. With real estate in Canada selling for considerably higher prices than here in the states, many Canadians have snapped up our waterfront homes for a fraction of the costs ex-



SHUTTERSTOCK PHOTO

hibited on their side of the border. The same applies to golf communities, and our Canadian counterparts will share with you that the beauty of our region coupled with the welcoming attitude of the locals keeps them investing in the Flathead.

Having made acquaintance with many Canadians who are now my friends, the consistent comment is that they feel as if this valley is their second home. They ski our mountains, camp our back country and their children grow up splashing in our lakes. They shop our businesses, frequent our fabulous restaurants, and haunt the local watering holes. The Flathead isn't just a vacation spot for these folks; it's a way of life that will continue into the next generation. They care for our communities as we do and are investing in our future, as well as theirs. Recently visiting with some Canadian friends of mine, they mentioned that years ago things were a little different. Our community

was not so welcoming to our foreign friends from the north, seemingly threatened by their "invasion." These friends feel that in light of the changing economy in the states, the Flathead Valley has come to recognize that the influx of Canadian dollars has helped stabilize and stimulate this area's economy. These friends say that they now feel much more integrated into our communities, and they also want to see the area thrive. They take pride in their U.S. homes, and truly appreciate us as their friends and neighbors. As long as we continue to welcome them into our midst, this great partnership across the borders will continue, and be beneficial to both sides. So, the next time you hear that happy lilt, introduce yourself. Strike up a conversation over a cool beverage, and you never know what friends you may find from across the border.

Carmen Hobson is a broker at Glacier Sotheby's International Realty

SB 244

SPONSOR'S REBUTTAL TO FISCAL NOTE

Bill Number: SB244

Date Prepared: 2/6/15

Short Title: Establish a Montana trade center in Calgary

Sponsor: Senator Dee Brown

The original bed tax collections were meant for the promotion of the state so that we could entice more visitors to spend money in Montana. The trade center in Calgary, Alberta, Canada would do just that-- promote trade and tourism between Canada and all aspects of the state including film, natural resources, health care, agriculture, retail, and all other parts of Montana's economy.

Specifically, what in the fiscal note do you feel is flawed?

The price tag of \$306,300 is a moving target since we haven't put out a prospectus nor hired a person to staff the center. This bill would direct the Department of Commerce, MT Promotion Division to use funding to market and advertise through the office in Calgary using ever-increasing accommodation collections from bed tax properties. The increase for the last few years have been and are projected to be:

FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
\$11.072	\$12.850	\$14.060	\$14.758	\$15.482	\$16.441	\$17.841	\$19.428

Therefore, I believe that the cost for the office and one staff member would not redirect funds being spent in another way, but funds put to use for another great marketing tool using only a portion of the projected increase. Legislators will decide the policy of this bill knowing it isn't redirecting funding.

What is your estimate of the fiscal impact?

It will be whatever the department decides is reasonable rent and staff expenses once they put out a prospectus for the Calgary office.

Sponsor Signature:

Dee L. Brown 2/6/15

SB 244